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BY EMAIL: regs.comments@federalreserve.gov

Rovert deV. Frierson
Secretary, Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: FR 3066a, b, c, and d; OMB control number: 7100-TBA

Dear Secretary Frierson:

NACHA – The Electronic Payments Association¹ respectfully submits this response to the Request for Comment regarding Proposed Agency Information Collection Activities (RFC) issued by the Board of Governors of the Federal Reserve System. The RFC requests comment on proposed information collection activities (surveys) and specifically (a) whether the proposed collection of information is necessary for the proper performance of the Federal Reserve’s functions, including whether the information has practical utility; (b) the accuracy of the Federal Reserve’s estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start up costs and costs of operation, maintenance, and purchase of services to provide information. These surveys would be designed to collect information needed to support the Federal Reserve System’s role in the retail payments system.

¹ NACHA manages the development, administration, and governance of the ACH Network, the backbone for the electronic movement of money and data. The ACH Network serves as a safe, secure, reliable network for direct consumer, business, and government payments, and annually facilitates billions of payments. The ACH Network is governed by the *NACHA Operating Rules*, authored by NACHA, which guide risk management and create certainty for all participants.

NACHA, a not-for-profit organization, helps manage the ACH Network through its board of directors, staff, and various committees. NACHA represents nearly 11,000 financial institutions via 17 regional payments associations and direct membership. Through its industry councils and forums, NACHA brings together payments system stakeholders from all types of organizations to enable innovation that strengthens the industry with creative payment solutions.

NACHA's specific comments are limited to (a) *Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions, including whether the information has practical utility.*

NACHA General Comments.

The ACH Network is the direct payment Network, enabling the direct movement of money and information from one bank account to another. In this regard, the ACH Network plays an important role in the payments landscape, serving as a safe, efficient, high-quality and ubiquitous payments system that enables billions of Direct Deposit via ACH and Direct Payment via ACH payments annually.

The Federal Reserve's triennial payments study serves as a benchmark for the payments industry and provides data that is otherwise unavailable. This unique information identifies industry trends and shapes new opportunities. As such, NACHA has used the information collected from previous surveys to support strategic planning for the ACH Network, and in working with the industry to support payments innovation.

NACHA views the proposed collection of information as consistent with and central to the Federal Reserve's functions as they relate to the promotion of the safety and efficiency of the domestic payments system, which is integral to the national economy. The information that is collected and publicly shared by the Federal Reserve is used in whole or in part by diverse parties in the private and public sectors that have an interest in the continued use and development of solutions that leverage the domestic payments system in a safe and efficient manner. Organizations including financial institutions, processors and solutions providers, end-users, payment network administrators and other stakeholders rely on the output to understand and monitor trends, establish benchmarks, educate users, and inform risk management, product and network strategies.

With the broad reliance on the information, the veracity of the data and the credibility of the party responsible for its collection, analysis and dissemination are critical. Given the Federal Reserve's unique role in the domestic payments system, relationship with entities that utilize it, and demonstrated proficiency and reputation in this regard, NACHA supports the Federal Reserve activities as proposed in FR 3066a, b, c, and d. NACHA does not believe respondents would find the information collection burdensome. In addition, costs to provide such information should be *deminimus*.

With respect to the ACH Network, NACHA supports the requesting respondents to report the number and value of ACH volumes into subcategories to identify interbank ACH payments and help avoid double counting correspondent ACH volumes. This would give a more accurate picture of volume of transactions flowing through the Network.

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If I can be of further assistance, please do not hesitate to contact me at (703) 561-3943 or bsullivan@nacha.org.

Sincerely,

/S/

William D. Sullivan
Senior Director & Group Manager
Government & Industry Relations